

HOUSE BILL No. 1018

DIGEST OF INTRODUCED BILL

Citations Affected: IC 12-15.

Synopsis: Medicaid and medical equipment. Removes medical equipment and supplies from the list of items or services for which the office of the secretary of family and services (office) may seek competitive bids for the Medicaid program. Specifies that the office, managed care organizations, subcontractors, and third party administrators must reimburse: (1) durable medical equipment; (2) complex rehabilitation technology; and (3) supplies; at a rate that is at least 100% of the rate in specified fee schedules. Requires the office to develop and implement a tool to assist in the determination of capped rental payments for certain items. Adds a member to the Medicaid advisory committee.

Effective: July 1, 2023.

Olthoff

January 9, 2023, read first time and referred to Committee on Public Health.



First Regular Session of the 123rd General Assembly (2023)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2022 Regular Session of the General Assembly.

HOUSE BILL No. 1018

A BILL FOR AN ACT to amend the Indiana Code concerning Medicaid.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 12-15-11-7 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 7. The office may seek
3 competitive bids for the following items or services provided under
4 Medicaid:

- 5 (1) Prescribed drugs and services for state operated institutions.
- 6 (2) Physical therapy and other therapeutic services.
- 7 (3) Prescribed laboratory and x-ray services.
- 8 (4) Eyeglasses and prosthetic devices.
- 9 ~~(5) Medical equipment and supplies.~~
- 10 ~~(6)~~ (5) Transportation services.

11 SECTION 2. IC 12-15-13-0.5 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 0.5. (a) Except as
13 provided in section 0.6 of this chapter, as used in this chapter, "clean
14 claim" means a claim submitted by a provider for payment under the
15 Medicaid program that can be processed without obtaining additional
16 information from:

- 17 (1) the provider of the service; or



- 1 (2) a third party.
 2 (b) The definition under subsection (a):
 3 (1) includes a claim with:
 4 (A) errors originating in the **state's office's** claims processing
 5 system; and
 6 (B) **any supporting documents for that claim that were**
 7 **submitted or obtained by the provider in compliance with**
 8 **this chapter but were erroneously missing, lost, or not**
 9 **included in the processing of the claim by the office; and**
 10 (2) does not include a claim:
 11 (A) from a provider who is under investigation for fraud or
 12 abuse (as used in 42 CFR 447.45(b)); or
 13 (B) under review for medical necessity.
 14 SECTION 3. IC 12-15-13-10 IS ADDED TO THE INDIANA
 15 CODE AS A NEW SECTION TO READ AS FOLLOWS
 16 [EFFECTIVE JULY 1, 2023]: **Sec. 10. (a) The office and any third**
 17 **party administrator shall reimburse for the following at a rate that**
 18 **is at least one hundred percent (100%) of the office's current**
 19 **Medicaid professional or outpatient fee schedules:**
 20 (1) **Durable medical equipment.**
 21 (2) **Complex rehabilitation technology.**
 22 (3) **Supplies.**
 23 (b) **Before July 1, 2024, the office shall develop and implement**
 24 **a tool to assist in the determination of the same or similar items in**
 25 **establishing capped rental payments for providers that includes the**
 26 **full term of the capped rental period for an item described in**
 27 **subsection (a).**
 28 SECTION 4. IC 12-15-33-3, AS AMENDED BY P.L.140-2019,
 29 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2023]: Sec. 3. (a) The committee shall be appointed as
 31 follows:
 32 (1) One (1) member shall be appointed by the administrator of the
 33 office to represent each of the following organizations:
 34 (A) Indiana Council of Community Mental Health Centers.
 35 (B) Indiana State Medical Association.
 36 (C) Indiana State Chapter of the American Academy of
 37 Pediatrics.
 38 (D) Indiana Hospital Association.
 39 (E) Indiana Dental Association.
 40 (F) Indiana State Psychiatric Association.
 41 (G) Indiana State Osteopathic Association.
 42 (H) Indiana State Nurses Association.



- 1 (I) Indiana State Licensed Practical Nurses Association.
 2 (J) Indiana State Podiatry Association.
 3 (K) Indiana Health Care Association.
 4 (L) Indiana Optometric Association.
 5 (M) Indiana Pharmaceutical Association.
 6 (N) Indiana Psychological Association.
 7 (O) Indiana State Chiropractic Association.
 8 (P) Indiana Ambulance Association.
 9 (Q) Indiana Association for Home Care.
 10 (R) Indiana Academy of Ophthalmology.
 11 (S) Indiana Speech and Hearing Association.
 12 (T) Indiana Academy of Physician Assistants.
 13 (U) Indiana Association of Rehabilitation Facilities.
 14 (V) Indiana Association of Health Plans.
 15 (W) Indiana Primary Health Care Association.
 16 **(X) Great Lakes Home Medical Services Association.**
 17 (2) Ten (10) members shall be appointed by the governor as
 18 follows:
 19 (A) One (1) member who represents agricultural interests.
 20 (B) One (1) member who represents business and industrial
 21 interests.
 22 (C) One (1) member who represents labor interests.
 23 (D) One (1) member who represents insurance interests.
 24 (E) One (1) member who represents a statewide taxpayer
 25 association.
 26 (F) Two (2) members who are parent advocates.
 27 (G) Three (3) members who represent Indiana citizens.
 28 (3) Six (6) members shall be appointed by the president pro
 29 tempore of the senate acting in the capacity as president pro
 30 tempore of the senate to represent the senate. Three (3) of the
 31 members appointed under this subdivision shall serve on the
 32 standing fiscal subcommittee created under section 8(b) of this
 33 chapter.
 34 (4) Six (6) members shall be appointed by the speaker of the
 35 house of representatives to represent the house of representatives.
 36 Three (3) of the members appointed under this subdivision shall
 37 serve on the standing fiscal subcommittee created under section
 38 8(b) of this chapter.
 39 (b) Notwithstanding subsection (a)(3), after consultation with the
 40 minority leader of the senate, the president pro tempore of the senate
 41 shall appoint three (3) of the members from the minority party of the
 42 senate.



1 (c) Notwithstanding subsection (a)(4), after consultation with the
2 minority leader of the house of representatives, the speaker of the
3 house shall appoint three (3) of the members from the minority party
4 of the house.

